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TAGS: PREL SNAR KCOR KJUS PGOV CJAN KFRD VZ AR

SUBJECT: (C) ANTONINI-WILSON BANKRUPTCY CASE NAMES
PRESIDENTIAL COUPLE AND PLANNING MINISTER AS INTERESTED
PARTIES

REF: BUENOS AIRES 532 AND PREVIOUS

Classified By: Ambassador E.A.Wayne. Reasons 1.4 (B,D)

Summary

¶1. (C) President Cristina Fernandez de Kirchner, former President Nestor Kirchner and Planning Minister Julio De Vido were named as "interested parties" in an April 15 voluntary personal Chapter 7 bankruptcy filing in Florida of "Suitcase scandal" principal Alejandro Antonini-Wilson (A-W). A supplementary Chapter 7 filing by A-W's counsel due to have been released by COB May 20 will possibly provide more details on whether A-W will claim debt owed or detail a creditor relationship with the Presidential couple. According to U.S. media, a separate April 17 corporate bankruptcy filing by A-W listed Venezuelan President Hugo Chavez and GoA President Cristina Fernandez de Kirchner as "creditors for notice only." According to Federal prosecutor Dan Mulvihill, A-W's personal bankruptcy proceeding is one of many civil suits involving A-W and other defendants in the U.S. criminal prosecution of this case.

¶2. (C) Embassy was notified of A-W's personal bankruptcy case by GoA private counsel Daniel Korn at the behest of Kirchner administration Legal Secretary to the Presidency Carlos Zanini to ensure post was "not blindsided" by possible media attention to the naming of the Presidential couple as interested parties. Such media attention could give new life to what has become another in a long list of unresolved GoA scandals. When the "suitcase" scandal broke in December 2007, President Kirchner had called it a "garbage operation" by the USG to discredit her administration and bilateral relations were strained for a period of months. Post is developing "if-asked" press guidance. End Summary.

(C) K Confidant Doesn't Want Embassy Blindsided

¶3. (C) Private attorney Daniel Korn called EconCouns May 20 to request a private discussion of the Chapter 7 personal bankruptcy filing of "Suitcase Scandal" principal Antonini-Wilson of U.S. and Venezuelan dual nationality. Korn said that he had been retained by GoA Treasury Attorney General Oswaldo Guglielmino to represent GoA interests in this case. According to Korn, A-W had filed voluntary Chapter 7 on April 15 in Miami Federal Court (Case No. 0916850) and included President Cristina Fernandez de

Kirchner, former president Nestor Kirchner, and Planning Minister Julio De Vido in an extensive list of "interested parties." These names were revealed during a May 13 meeting called by the bankruptcy case trustee in Miami that Korn attended. A more complete schedule of these interested parties, detailing which are potential creditors or debtors of A-W, was to be released by A-W's counsel by end-of-day May 20, Korn said.

¶4. (C) Carlos Zanini, Legal and Technical Secretary to the Presidency (and member of the presidential couple's inner circle) asked Korn, he said, to inform the Embassy of this matter "to ensure the Embassy was not blindsided" by any possible media attention to this matter. Korn recalled the initial development of the Antonini-Wilson case in December 2007 where "it appeared the Embassy had not been fully informed of developments by the U.S. Justice Department."

¶5. (C) Korn explained that he was asked to represent GoA interests in this case after having developed a close working relationship with GoA Treasury Attorney General Guglielmino while representing the interests of the Province of Buenos Aires and its Governor Daniel Scioli in an ongoing ICSID international arbitration suit brought against the GoA by former Enron water and sewage service affiliate Azurix. Korn is a Yale-trained lawyer well known to the Embassy from his active presidency of Argentina's Yale Club.

Earlier A-W Corporate Filing Named CFK as Creditor

¶6. (SBU) An April 17 South Florida Business Journal article notes that A-W had filed a separate corporate bankruptcy case for his company Venuz Supply which lists Venezuelan President Hugo Chavez and GoA President Cristina Fernandez de Kirchner as "creditors for notice only with \$0 claims."

Miami Prosecutor Asserts No USG Involvement

¶7. (C) According to Federal prosecutor Dan Mulvihill, who talked with Embassy Justice Attaché by phone, A-W's personal bankruptcy proceeding is one of many civil suits involving A-W and other defendants in the U.S. criminal prosecution of this case, including Franklin Duran. Mulvihill says that he has intentionally distanced himself from these civil suits in order not to jeopardize the criminal prosecution which is currently on appeal. He advises other U.S. government agencies to do likewise.

Comment and Press Strategy

¶8. (C) Possible media attention to the naming of the Presidential couple in Wilson's personal bankruptcy filing could breath new life into this once high profile scandal that -- following a lengthy Miami trial (reftels) -- has become another in a long list of unresolved Kirchner administration financing scandals. When the case broke in December 2007, President Kirchner had called it a "garbage operation" by the USG to discredit her administration and bilateral relations were significantly strained for a period of months. We intend to try to prevent another suitcase-related jolt in our relationship with Argentina by developing Washington-cleared "if-asked" press guidance emphasizing the USG's non-involvement in this private case. We will deploy that guidance in the event that this story goes public here in Argentina.

WAYNE